

SENATE ENVIRONMENT AND ENERGY COMMITTEE

STATEMENT TO

SENATE, No. 2276

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 6, 2016

The Senate Environment and Energy Committee favorably reports Senate Bill No. 2276 with committee amendments.

This bill, with committee amendments, would establish a 25-member “New Jersey Solar Energy Study Commission” and modify the State’s solar renewable energy portfolio standards.

The commission would comprise the President of BPU, the Commissioner of Environmental Protection, and the Director of the Division of Rate Counsel, each of whom would serve ex officio, or their designees; a representative of the Clean Energy Program in the BPU; two members of the Senate; two members of the General Assembly; one public member appointed by the President of the Senate; one public member appointed by the Speaker of the General Assembly; and 15 public members appointed by the Governor, representing various interests including the State’s four electric public utilities, ratepayers, environmental conservation, residential solar energy development, grid-connected solar energy development, roof and ground mounted commercial and industrial solar energy development, energy storage, the academic and business communities, and the Retail Electric Supply Association.

The commission would study all aspects of New Jersey’s solar energy generation industry, and make findings and recommendations to the Governor and Legislature on how the use of solar energy could be expanded in the State. Specifically, the commission would study: (1) the need to modify or extend the State’s solar renewable energy portfolio standards; (2) utility interconnection processes and costs; and (3) the current solar renewable energy credit market. The commission would be responsible for issuing a report to the Governor and Legislature, annually, for four years from the date of its organization. It would expire after submission of the final report.

The bill would also modify the State’s solar renewable energy portfolio standards through energy year 2022. Under current law, electric power suppliers and basic generation service providers must generate a certain percentage of their electricity from solar electric power generators. The current schedule provides for a graduated increase in the percentage of solar energy that must be generated each

year, culminating in 4.01 percent by energy year 2027. This bill would amend the schedule to require electric power suppliers and basic generation service providers to generate a greater percentage of solar energy each year, culminating in 4.1 percent by energy year 2022 and thereafter. The bill would eliminate increased solar energy requirements for energy years 2023 through 2027. However, under the bill, the New Jersey Solar Energy Study Commission would also be responsible for studying and making recommendations concerning any modifications or extensions to New Jersey's solar renewable energy portfolio standards through at least energy year 2031.

The committee amendments would provide for two additional public members of the "New Jersey Solar Energy Study Commission." The additional members would be appointed by the Governor and would represent the interests of ratepayers.